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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Petition of SBC Telecom, Inc.)	File No
For Modification of a LATA)	
Boundary in Ohio)	

PETITION OF SBC TELECOM, INC. FOR MODIFICATION OF A LATA BOUNDARY IN OHIO

I. Introduction

Pursuant to Section 3(25) of the Communications Act of 1934, as amended by The Telecommunications Act of 1996, 47 U.S.C. § 153(25), SBC Telecom, Inc. ("SBC Telecom"), a wholly-owned subsidiary of SBC Communications Inc., petitions the Commission for approval of a LATA boundary adjustment in Ohio.

As part of its effort to provide competitive local exchange service, SBC Telecom requests a LATA boundary adjustment in Lebanon, an Ohio territory currently served by Sprint, the incumbent local exchange carrier ("ILEC") in the market. In Lebanon, the local calling area of the ILEC crosses the LATA boundary. For SBC Telecom to provide local service competitively, it must be able to provide local service on the same geographic basis as the ILEC. Accordingly, SBC Telecom requests that the FCC modify the LATA to enable SBC Telecom to mirror the local exchange service area of the ILEC serving the Lebanon area. The LATA waiver is needed to enable SBC Telecom customers located within the Lebanon exchange to make local calls to customers in the Dayton exchange. SBC Telecom's inability to provide its customers a local calling scope commensurate with that of the ILEC significantly disadvantages SBC Telecom.

Attached in support of this Petition is a copy of a map of the Lebanon exchange portion of the Lebanon/Mason market that is available through The Public Utilities Commission of Ohio,

which accurately depicts the Lebanon exchange area. The map identifies the ILEC calling scope as well as the LATA boundary. Without a waiver of the LATA boundary, SBC Telecom customers located in this exchange would be required to incur long distance charges to complete calls between the Lebanon and Dayton exchanges. On the other hand, these are local calls for customers of the ILEC, Sprint.

II. BACKGROUND

On February 23, 1999, in its Stipulation and Recommendation, PUCO Case No. 98-1082-TP-AMT ("the Ohio merger stipulation"), the Public Utilities Commission of Ohio ("PUCO") approved the merger of SBC Communications Inc. and Ameritech Corporation. As part of the Ohio merger stipulation, SBC¹ agreed to bring local service competition to four Ohio markets:

Following the Merger Closing Date, and subject to the terms and conditions set forth in Sections VII.D.2 and VII.D.3., SBC/Ameritech will offer basic local exchange service to both residential and business customers at reasonable rates in the following 4 markets where Ameritech Ohio is currently not the incumbent local exchange carrier ("ILEC") (the "Ohio Competitive Services"):

- a. Cincinnati to include the Cincinnati exchange area that is currently served by Cincinnati Bell;
- **b.** Lebanon/Mason to include the Lebanon and Mason exchange areas northeast of Cincinnati that are currently served by United/Sprint.
- c. Hudson/Twinsburg to include the Hudson, Twinsburg and Northfield exchange areas south of Cleveland that are currently served by Western Reserve/ALLTEL; and
- d. Delaware to include the Delaware and Cheshire Center exchange areas north of Columbus that are currently served by GTE.²

¹ The Joint Applicants in the Ohio merger case were SBC Communications Inc., SBC Delaware, Inc., Ameritech Corporation, and Ameritech Ohio.

² Joint Application of SBC Communications Inc., SBC Delaware Inc., Ameritech Corporation and Ameritech Ohio for Consent and Approval of a Change of Control, Public Utilities Comm'n of Ohio Case No. 98-1082-TP-AMT, Opinion and Order at 22 (April 8, 1999).

To effect the Ohio merger stipulation, SBC Telecom applied for and on September 20, 2001, obtained a certificate of public convenience and necessity to authorize it to provide basic local exchange telecommunications service and associated non-basic services in four Ohio markets: Cincinnati, Lebanon-Mason, Hudson and Delaware.

SBC Telecom, Inc. is a wholly owned, direct corporate subsidiary of SBC Communications Inc. Formed in 1999 to implement SBC's national local service expansion initiative, SBC Telecom is currently operating as a CLEC in thirty-three markets outside the traditional operating territories of SBC local exchange companies. SBC Telecom is not an incumbent local exchange carrier in any market.

III. THE EXPANSION OF CUSTOMER CHOICE BY SBC TELECOM

Upon receipt of the requisite LATA modification, SBC Telecom will be able to expand the choice and diversity of telecommunications service to customers in the Lebanon, Ohio service area by introducing new services and technologies that it will package and price competitively to meet customers' needs. SBC Telecom intends to service the residential and business customers in the proposed service area, initially through resale only, but eventually on a facilities basis. Thus, the waiver will promote increased competition as envisioned in the Telecommunications Act of 1996.

The LATA modification is required if such local competition is to occur. Initially SBC Telecom intends to enter these markets on a resold basis only, bringing local competition prior to the time when it will enter the markets on a facilities basis. However, it is not feasible for a CLEC to provide resold service that does not mirror the reseller's calling area: the tariffed local calling scope of the ILEC service being purchased for resale defines the local calling scope of the resold service. Thus, if SBC Telecom cannot mirror the ILECs' local calling area, it will be unable to resell the ILEC's tariffed service to its customers.

Further, customers expect a competitive local service provider to be able to provide a local calling scope at a par with the calling scope offered by their existing local provider. A CLEC forced to offer a reduced calling scope to its customers would not meet customer

expectations and would thus enter the market at a competitive disadvantage. To be competitive, a CLEC needs to be able to offer their customers a local calling scope that is at least as large as the ILEC's. Granting this Petition will permit SBC Telecom to provide competitive local service, thus furthering competition and serving the public interest.

Recently, the Commission agreed that if SBC Telecom is to compete with the ILEC, "it must be able to provide comparable service offerings, geographically and qualitatively" when it granted a similar petition filed by SBC Telecom to modify a LATA boundary in Ohio.³ In its Order, the Commission found that the proposed LATA modification served the public interest by increasing competition in Ohio and also found that the LATA modification did not impair interexchange competition. For the same reasons, the Commission should approve the instant petition.

SBC Telecom would like to begin competing in the Lebanon exchange as soon as possible. Therefore, in the interest of increasing competition, SBC Telecom respectfully requests that the Commission act on this Petition on an expedited basis.

IV. CONCLUSION

For all of the foregoing reasons, SBC Telecom requests the Commission grant its petition. This action will serve the public interest by permitting minor LATA modifications necessary to meet the needs of the prospective local subscribers of the competitive local exchange services SBC Telecom will offer and will promote, not harm competition.

³ SBC Telecom, Inc. Petition for Modification of Certain LATA Boundaries in Ohio, Memorandum Opinion and Order, File No. NSD-L-00-25, FCC 03-308 (rel. Dec. 16, 2003) (approving SBC Telecom's request to modify LATA boundaries in the Cincinnati, Hudson/Twinsburg and Northfield service areas).

Respectfully submitted,

SBC Telecom, Inc.

Bv:

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210-246-8430

February 13, 2004

Its Attorney

LEBANON EXCHANGE OF UNITED TELEPHONE COMPANY Hospital ď> Requesting exchange Optional County seat EAS requested Non-optional flat rate **Public School** Measured rate EAS County boundary LATA boundary Discounted toll Circle is 22 miles from LEBANON SCALE: 1:500,000 Clark Dayton Greene Waynesville Butler ÷≠ Lebanon Schth Mason Morrow Hamilton Cincinnati Highland 2001 PUCO

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